

EXHIBIT A

1 **UNITED STATES DISTRICT COURT**
2 **CENTRAL DISTRICT OF CALIFORNIA**
3 **WESTERN DIVISION**

4 STEAMFITTERS LOCAL 449 PENSION
5 PLAN, Individually and on Behalf of all
6 Others Similarly Situated,

7 Plaintiff,

8 vs.

9 MOLINA HEALTHCARE, INC., J.
10 MARIO MOLINA, JOHN C. MOLINA,
11 TERRY P. BAYER and RICK HOPFER,

12 Defendants.

Case No. 2:18-cv-03579 AB (JCx)
CLASS ACTION

13 **[PROPOSED] ORDER GRANTING PRELIMINARY**
14 **APPROVAL OF CLASS ACTION SETTLEMENT,**
15 **APPROVING FORM AND MANNER OF NOTICE, AND SETTING**
16 **DATE FOR HEARING ON FINAL APPROVAL OF SETTLEMENT**

17 WHEREAS, as of May 5, 2020, Lead Plaintiff Steamfitters Local 449
18 Pension Plan (“Steamfitters” or “Lead Plaintiff”), individually and on behalf all
19 other members of the Settlement Class, on the one hand, and Molina Healthcare,
20 Inc. (“Molina” or the “Company”), J. Mario Molina, John C. Molina, Terry P.
21 Bayer, and Rick Hopfer (collectively, “Defendants”), on the other, entered into a
22 Stipulation and Agreement of Settlement (the “Settlement Agreement”) in the
23 above-titled litigation (the “Action”), which is subject to review under Rule 23 of
24 the Federal Rules of Civil Procedure and which, together with the exhibits thereto,
25 sets forth the terms and conditions of the proposed settlement of the Action and the
26 claims alleged in the Amended Class Action Complaint for Violation of the
27 Federal Securities Laws, filed on October 5, 2018, on the merits and with prejudice
28 (the “Settlement”); and

WHEREAS, the Court has reviewed and considered the Settlement
Agreement and the accompanying exhibits; and

1 WHEREAS, the Parties to the Settlement Agreement have consented to the
2 entry of this order; and

3 WHEREAS, all capitalized terms used in this order that are not otherwise
4 defined herein have the meanings defined in the Settlement Agreement;

5 NOW, THEREFORE, IT IS HEREBY ORDERED, this _____ day of _____
6 _____, 2020, that:

7 1. The Court has reviewed the Settlement Agreement and preliminarily
8 finds, pursuant to Fed. R. Civ. P. 23(e)(1), that the Court will likely be able to
9 approve the proposed Settlement as fair, reasonable, and adequate under Fed. R.
10 Civ. P. 23(e)(2), subject to further consideration at the Settlement Hearing
11 described below.

12 2. Pursuant to Rules 23(a) and (b)(3) of the Federal Rules of Civil
13 Procedure, the Court hereby preliminarily certifies, for purposes of the Settlement
14 only, the Settlement Class of: All persons and entities that purchased or otherwise
15 acquired Molina publicly traded common stock during the period from October 31,
16 2014 through August 2, 2017, inclusive, and were damaged thereby. Excluded
17 from the Settlement Class are: (i) the Defendants; (ii) the present and former
18 officers and directors of the Company; (iii) the Company's subsidiaries and
19 affiliates; (iv) the Company's employee retirement and benefit plan(s) and their
20 participants or beneficiaries, to the extent they made purchases through such
21 plan(s); (v) members of the immediate families of the Individual Defendants; (vi)
22 any entity in which any Defendant has or had a controlling interest; and (vii) the
23 legal representatives, heirs, successors, and assigns of any such excluded party.
24 Also excluded from the Settlement Class are any Settlement Class Members who
25 properly exclude themselves by submitting a valid and timely request for exclusion
26 in accordance with the requirements set forth below and in the Notice.

27 The Court finds and preliminarily concludes that the prerequisites of class
28 action certification under Fed. R. Civ. P. 23(a) and (b)(3) have been satisfied for

1 the Settlement Class defined herein and for the purposes of the Settlement only, in
2 that:

3 (a) the members of the Settlement Class are so numerous that
4 joinder of all Settlement Class Members is impracticable;

5 (b) there are questions of law and fact common to the Settlement
6 Class Members;

7 (c) the claims of Lead Plaintiff are typical of the claims of
8 Settlement Class Members;

9 (d) Lead Plaintiff and Lead Counsel have fairly and adequately
10 represented and protected the interests of the Settlement Class;

11 (e) the questions of law and fact common to Settlement Class
12 Members predominate over any individual questions; and

13 (f) a class action is superior to other available methods for the fair
14 and efficient adjudication of the controversy, considering that the claims of
15 Settlement Class Members in the Action are substantially similar and would, if
16 tried, involve substantially identical proofs and may therefore be efficiently
17 litigated and resolved on an aggregate basis as a class action; the amounts of the
18 claims of many of the Settlement Class Members are too small to justify the
19 expense of individual actions; and it does not appear that there is significant
20 interest among Settlement Class Members in individually controlling the litigation
21 of their claims.

22 3. Pursuant to Fed. R. Civ. P. 23, and for purposes of the Settlement
23 only, Lead Plaintiff is preliminarily certified as Class Representative for the
24 Settlement Class. The law firm of Labaton Sucharow LLP is preliminarily
25 appointed Class Counsel for the Settlement Class, and Glancy Prongay & Murray
26 LLP is preliminarily appointed as Liaison Counsel for the Settlement Class.

1 4. A hearing (the “Settlement Hearing”) pursuant to Fed. R. Civ. P. 23(e)
2 is hereby scheduled to be held before the Court on _____,
3 2020, at ____:____.m. for the following purposes:

4 (a) to determine whether the proposed Settlement is fair,
5 reasonable, and adequate, and should be approved by the Court;

6 (b) to determine whether the proposed Final Order and Judgment
7 (“Judgment”) as provided under the Settlement Agreement should be entered, and
8 to determine whether the release by the Settlement Class of the Released Claims,
9 as set forth in the Settlement Agreement, should be provided to the Released
10 Defendant Parties;

11 (c) to determine, for purposes of the Settlement only, whether the
12 Settlement Class should be finally certified; whether Lead Plaintiff should be
13 finally certified as Class Representative for the Settlement Class; whether the law
14 firm of Labaton Sucharow LLP should be finally appointed as Class Counsel for
15 the Settlement Class; and whether the law firm of Glancy Prongay & Murray LLP
16 should be finally appointed as Liaison Counsel for the Settlement Class;

17 (d) to determine whether the proposed Plan of Allocation for the
18 proceeds of the Settlement is fair and reasonable and should be approved by the
19 Court;

20 (e) to consider Lead Counsel’s application for an award of
21 attorneys’ fees and expenses (which may include an application for an award to
22 Lead Plaintiff for reimbursement of its reasonable costs and expenses directly
23 related to its representation of the Settlement Class, pursuant to the Private
24 Securities Litigation Reform Act of 1995 (“PSLRA”)); and

25 (f) to rule upon such other matters as the Court may deem
26 appropriate.

27 5. The Court reserves the right to approve the Settlement with or without
28 modification and with or without further notice to the Settlement Class of any kind.

1 The Court further reserves the right to enter the Judgment approving the Settlement
2 regardless of whether it has approved the Plan of Allocation or awarded attorneys'
3 fees and/or expenses. The Court may also adjourn the Settlement Hearing, decide
4 to hold the hearing telephonically, or modify any of the dates herein without
5 further individual notice to members of the Settlement Class. Any such changes
6 shall be posted on the website of the Claims Administrator.

7 6. The Court approves the form, substance, and requirements of the
8 Notice of Pendency of Class Action, Proposed Settlement, and Motion for
9 Attorneys' Fees and Expenses ("Notice") and the Proof of Claim and Release form
10 ("Claim Form"), substantially in the forms annexed hereto as Exhibits 1 and 2,
11 respectively.

12 7. The Court approves the retention of Angeion Group as the Claims
13 Administrator. The Claims Administrator shall cause the Notice and Claim Form,
14 substantially in the forms annexed hereto, to be mailed by first-class mail, postage
15 prepaid, on or before ten (10) business days after entry of this Preliminary
16 Approval Order ("Notice Date"), to all Settlement Class Members that can be
17 identified with reasonable effort. Molina, to the extent it has not already done so,
18 shall use its best efforts to obtain and provide to Lead Counsel or the Claims
19 Administrator transfer records in electronically searchable form containing the
20 names and addresses of purchasers of the publicly traded common stock of Molina
21 during the Class Period no later than five (5) business days after entry of this
22 Preliminary Approval Order.

23 8. The Claims Administrator shall use reasonable efforts to give notice
24 to nominee purchasers such as brokerage firms and other persons or entities that
25 purchased or otherwise acquired the publicly traded common stock of Molina
26 during the Class Period as record owners but not as beneficial owners. Such
27 nominees SHALL EITHER: (a) WITHIN SEVEN (7) CALENDAR DAYS of
28 receipt of the Notice, request from the Claims Administrator sufficient copies of

1 the Notice to forward to all such beneficial owners and WITHIN SEVEN (7)
2 CALENDAR DAYS of receipt of those Notices from the Claims Administrator
3 forward them to all such beneficial owners; or (b) WITHIN SEVEN (7)
4 CALENDAR DAYS of receipt of the Notice, provide a list of the names and
5 addresses of all such beneficial owners to the Claims Administrator and the Claims
6 Administrator is ordered to send the Notice promptly to such identified beneficial
7 owners. Nominees shall also provide email addresses for all such beneficial
8 owners to the Claims Administrator, to the extent they are available. Nominees
9 who elect to send the Notice to their beneficial owners SHALL ALSO send a
10 statement to the Claims Administrator confirming that the mailing was made and
11 shall retain their mailing records for use in connection with any further notices that
12 may be provided in the Action. Upon full and timely compliance with these
13 directions, such nominees may seek reimbursement of their reasonable expenses
14 actually incurred by providing the Claims Administrator with proper
15 documentation supporting the expenses for which reimbursement is sought.

16 9. Lead Counsel shall, at or before the Settlement Hearing, file with the
17 Court proof of mailing of the Notice and Claim Form.

18 10. The Court approves the form of the Summary Notice of Pendency of
19 Class Action, Proposed Settlement, and Motion for Attorneys' Fees and Expenses
20 ("Summary Notice") substantially in the form annexed hereto as Exhibit 3, and
21 directs that Lead Counsel shall cause the Summary Notice to be published in
22 *Investor's Business Daily* and be transmitted over *PR Newswire* within fourteen
23 (14) calendar days of the Notice Date. Lead Counsel shall, at or before the
24 Settlement Hearing, file with the Court proof of publication of the Summary
25 Notice.

26 11. The form and content of the notice program described herein, and the
27 methods set forth herein of notifying the Settlement Class of the Settlement and its
28 terms and conditions, meet the requirements of Fed. R. Civ. P. 23, Section

1 21D(a)(7) of the Securities Exchange Act of 1934, 15 U.S.C. § 78u-4(a)(7), as
2 amended by the PSLRA, and due process, constitute the best notice practicable
3 under the circumstances, and shall constitute due and sufficient notice to all
4 persons and entities entitled thereto.

5 12. In order to be eligible to receive a distribution from the Net Settlement
6 Fund, in the event the Settlement is effected in accordance with the terms and
7 conditions set forth in the Settlement Agreement, each claimant shall take the
8 following actions and be subject to the following conditions:

9 (a) A properly executed Claim Form, substantially in the form
10 annexed hereto as Exhibit 2, must be submitted to the Claims Administrator, at the
11 address indicated in the Notice, postmarked no later than five (5) calendar days
12 before the Settlement Hearing. Such deadline may be extended by Court order or
13 by Lead Counsel in its discretion. Each Claim Form shall be deemed to have been
14 submitted when postmarked (if properly addressed and mailed by first-class or
15 overnight mail, postage prepaid). Any Claim Form submitted in any other manner
16 shall be deemed to have been submitted when it was actually received at the
17 address designated in the Notice. Any Settlement Class Member who does not
18 timely submit a Claim Form within the time provided for shall be barred from
19 sharing in the distribution of the Net Settlement Fund, unless otherwise ordered by
20 the Court, but shall remain bound by all determinations and judgments in this
21 Action concerning the Settlement, as provided by paragraph 15 of this order.

22 (b) The Claim Form submitted by each claimant must satisfy the
23 following conditions, unless otherwise allowed pursuant to the Settlement
24 Agreement: (i) it must be properly completed, signed, and submitted in a timely
25 manner in accordance with the provisions of the preceding subparagraph; (ii) it
26 must be accompanied by adequate supporting documentation for the transactions
27 reported therein, in the form of broker confirmation slips, broker account
28 statements, an authorized statement from the broker containing the transactional

1 information found in a broker confirmation slip, or such other documentation as is
2 deemed adequate by the Claims Administrator and/or Lead Counsel; (iii) if the
3 person executing the Claim Form is acting in a representative capacity, a
4 certification of her current authority to act on behalf of the claimant must be
5 included in the Claim Form; and (iv) the Claim Form must be complete and
6 contain no material deletions or modifications of any of the printed matter
7 contained therein and must be signed under penalty of perjury.

8 (c) As part of the Claim Form, each claimant shall submit to the
9 jurisdiction of the Court with respect to the claim submitted.

10 13. Any Settlement Class Member may enter an appearance in this
11 Action, at his, her, or its own expense, individually or through counsel of his, her,
12 or its own choice. If any Settlement Class Member does not enter an appearance,
13 he, she, or it will be represented by Lead Counsel.

14 14. Settlement Class Members shall be bound by all orders,
15 determinations and judgments in this Action concerning the Settlement, whether
16 favorable or unfavorable, unless such Persons request exclusion from the
17 Settlement Class in a timely and proper manner, as hereinafter provided. A
18 putative Settlement Class Member wishing to make such an exclusion request shall
19 mail the request in written form by first-class mail to the address designated in the
20 Notice for such exclusions, such that it is received no later than twenty-one (21)
21 calendar days prior to the Settlement Hearing. Such request for exclusion must
22 state the name, address, and telephone number of the Person seeking exclusion,
23 must state that the sender requests to be “excluded from the Settlement Class in
24 *Steamfitters Local 449 Pension Plan vs. Molina Healthcare, Inc., et al.*, Case No.
25 2:18-cv-03579 AB (JCx) (C.D. Cal.)” and must be signed by such Person. Such
26 Persons requesting exclusion are also directed to state the information requested in
27 the Notice, including, but not limited to: the date(s), price(s), and number(s) of
28 shares of all purchases, acquisitions, and sales of Molina publicly traded common

1 stock during the Class Period. The request for exclusion shall not be effective
2 unless it provides the required information and is made within the time stated
3 above, or the exclusion is otherwise accepted by the Court.

4 15. Putative Settlement Class Members requesting exclusion from the
5 Settlement Class shall not be eligible to receive any payment out of the Net
6 Settlement Fund as described in the Settlement Agreement and Notice.

7 16. The Court will consider any Settlement Class Member's objection to
8 the Settlement, the Plan of Allocation, and/or the application for an award of
9 attorneys' fees or expenses only if such Settlement Class Member has served by
10 hand or by mail his, her, or its written objection and supporting papers, such that
11 they are received on or before twenty-one (21) calendar days before the Settlement
12 Hearing, upon Lead Counsel: Christine M. Fox, Esq., Labaton Sucharow LLP, 140
13 Broadway, New York, NY 10005; and Defendants' Counsel: Robert W. Perrin,
14 Esq., Latham & Watkins LLP, 355 South Grand Avenue, Suite 100, Los Angeles,
15 CA 90071-1560; and has filed, either by hand or by mail, said objections and
16 supporting papers with the Clerk of the Court, United States District Court for the
17 Central District of California, First Street U.S. Courthouse, 350 West 1st Street,
18 Suite 4311, Los Angeles, CA 90012-4565. Any Settlement Class Member who
19 does not make his, her, or its objection in the manner provided for in the Notice
20 shall be deemed to have waived such objection and shall forever be foreclosed
21 from making any objection to any aspect of the Settlement, the Plan of Allocation,
22 or the request for attorneys' fees and expenses, unless otherwise ordered by the
23 Court, but shall otherwise be bound by the Judgment to be entered and the releases
24 to be given. Attendance at the hearing is not necessary; however, persons wishing
25 to be heard orally in opposition to the approval of the Settlement, the Plan of
26 Allocation, and/or the application for an award of attorneys' fees and other
27 expenses are required to indicate in their written objection their intention to appear
28 at the hearing. Persons who intend to object to the Settlement, the Plan of

1 Allocation, and/or the application for an award of attorneys' fees and expenses and
2 desire to present evidence at the Settlement Hearing must include in their written
3 objections the identity of any witnesses they may call to testify and exhibits they
4 intend to introduce into evidence at the Settlement Hearing.

5 17. Settlement Class Members do not need to appear at the hearing or take
6 any other action to indicate their approval.

7 18. Pending final determination of whether the Settlement should be
8 approved, Lead Plaintiff, all Settlement Class Members, and each of them, and
9 anyone who acts or purports to act on their behalf, shall not institute, commence or
10 prosecute any action which asserts Released Claims against the Released
11 Defendant Parties.

12 19. As provided in the Settlement Agreement, prior to the Effective Date,
13 Lead Counsel may pay the Claims Administrator a portion of the reasonable fees
14 and costs associated with giving notice to the Settlement Class and the review of
15 claims and administration of the Settlement out of the Settlement Fund not to
16 exceed \$500,000 without further approval from Defendants and without further
17 order of the Court.

18 20. All papers in support of the Settlement, Plan of Allocation, and Lead
19 Counsel's request for an award of attorneys' fees and expenses shall be filed with
20 the Court and served on or before thirty-five (35) calendar days before the date set
21 herein for the Settlement Hearing. If reply papers are necessary, they shall be filed
22 with the Court and served no later than seven (7) calendar days before the
23 Settlement Hearing.

24 21. The passage of title and ownership of the Settlement Fund to the
25 Escrow Agent in accordance with the terms and obligations of the Settlement
26 Agreement is approved. No person who is not a Settlement Class Member or Lead
27 Counsel shall have any right to any portion of, or to any distribution of, the Net
28

1 Settlement Fund unless otherwise ordered by the Court or otherwise provided in
2 the Settlement Agreement.

3 22. All funds held in escrow shall be deemed and considered to be in
4 *custodia legis* of the Court, and shall remain subject to the jurisdiction of the Court
5 until such time as such funds shall be disbursed pursuant to the Settlement
6 Agreement and/or further order of the Court.

7 23. Neither Defendants nor their counsel shall have any responsibility for
8 the Plan of Allocation or any application for attorney's fees or expenses submitted
9 by Lead Counsel or Lead Plaintiff, and such matters shall be considered separately
10 from the fairness, reasonableness and adequacy of the Settlement.

11 24. If the Settlement fails to become effective as defined in the Settlement
12 Agreement or is terminated, then both the Settlement Agreement, including any
13 amendment(s) thereof, except as expressly provided in the Settlement Agreement,
14 and this Preliminary Approval Order shall be null and void, of no further force or
15 effect, and without prejudice to any Party, and may not be introduced as evidence
16 or used in any actions or proceedings by any person or entity against the Parties,
17 and the Parties shall be deemed to have reverted to their respective litigation
18 positions in the Action as of March 5, 2020.

19 25. The Court retains exclusive jurisdiction over the Action to consider all
20 further matters arising out of or connected with the Settlement.

21 Dated: _____, 2020.

22
23 _____
24 HON. ANDRÉ BIROTTE JR.
25 UNITED STATES DISTRICT JUDGE
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